

Letter of Interest – Potential Employee Buy-In

Date

Name

Address 1

Address 2

Dear :

We have recently had broad discussions about the possibility of you buying an interest in _____ . We support the idea of additional owners in _____ at some point in time; there are a great number of potential benefits involved for all parties.

We have a list of guideline criteria, parameters and terms that we would consider in any potential sale of an interest in our company. Note that these are guidelines—we formulated this list with the intention of following it, but the criteria are not binding and specific circumstances may cause us to amend our approach accordingly. We provide these guidelines to convey our openness to the possibility of you buying into the company, to advance the dialogue, and to create consistency across this conversation with you and other conversations with other potential owners that may occur from time to time.

Please also note that we ask you to treat this letter and its contents confidentially and that you do not share its contents with any party not currently an owner of _____. Failing to respect this confidentiality likely would end any interest on our part to welcome you as a fellow owner inside our company.

Our general criteria, parameters and terms for selling an interest in our company include:

- Minimum two years full time employment with _____
- Minimum five years of relevant professional/industry experience
- The individual has demonstrated a consistent track record of success in his or her responsibilities inside _____
- The individual consistently plays a positive role within our culture and team
- The buy-in must be approved by existing owners holding at least _____% of the total ownership



- Buy-in requires consent to our Employee and Operating Agreements, which may include mandatory buy-out at a reduced price in the event of premature separation of service, and which may include significant restrictions on solicitation and competition in the event of separation of service with _____
- Purchase price expected to be _____ (insert formula) _____
- Preferred terms are all cash payable upon closing, however we may be willing to finance up to _____% of the buy-in amount for up to _____ years in some circumstances

Co-ownership in a privately held company is not for everybody; it carries significant potential for risk and reward. I welcome the opportunity to discuss these guidelines with you further at any point you wish. Regardless of the outcome of this discussion, the entire _____ ownership team is honored by your interest and looks forward to your continued service and success.

Sincerely,

WHAT IS NAVIX®?

NAVIX® is a proprietary process that helps business owners plan for and achieve successful exits.

NAVIX® helps owners of closely held businesses plan for and execute successful exits: achieving financial freedom, creating a sustainable legacy, and exiting on their own terms.

NAVIX® was designed out of experience seeing business owners struggle to achieve financial freedom, create a sustainable business legacy, and exit on their own terms. NAVIX® is a dual track process, that prepares both the business and its owner(s) for exit. NAVIX® is not just about planning; we also help clients execute the strategies and tactics needed to achieve a successful exit.

To review your score with someone from the NAVIX® team, or to learn about the NAVIX® program, please visit www.navixconsultants.com.

